

# A.M. BEST COMPANY

Ambest Road  
OLDWICK, NEW JERSEY 08858  
908-439-2200  
FAX 908-439-9653  
www.ambest.com

December 4, 2013

## Confirmation of A.M. Best's Credit Ratings

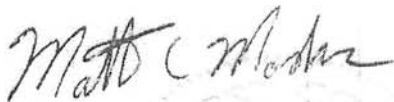
This is to certify that A. M. Best Europe Rating Services Ltd. has assigned the following Best's Credit Ratings:

Company:	Standard Insurance Company JSC
AMB#:	93079
Best's Financial Strength Rating:	B-
Rating Outlook/Implication:	Stable
Rating Effective Date:	November 12, 2013
Best's Issuer Credit Rating:	bb-
ICR Outlook/Implication:	Stable

Guides to Best's Financial Strength and Issuer Credit Ratings describing the A.M. Best rating system are enclosed. As the Guides indicate, a Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations and the Best's Issuer Credit Rating is an opinion of an insurer's financial strength and ability to meet its ongoing senior financial obligations.

Best's Credit Ratings are subject to change. To confirm the latest rating or to learn more about Best's Credit Ratings please visit the A.M. Best Company Website at [www.ambest.com](http://www.ambest.com).

Yours sincerely,



Matthew C. Mosher  
Senior Vice President  
Ratings

## GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS

A Best's Financial Strength Rating is an independent opinion of an Insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

### Financial Strength Ratings

	Rating	Descriptor	Definition
Secure	A+, A	Superior	Assigned to companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
	A, A-	Excellent	Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
	B+, B	Good	Assigned to companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Vulnerable	B, B-	Fair	Assigned to companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C+, C+	Marginal	Assigned to companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C, C-	Weak	Assigned to companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
	D	Poor	Assigned to companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.
	E	Under Regulatory Supervision	Assigned to companies (and possibly their subsidiaries/affiliates) placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal, ongoing insurance operations.
	F	In Liquidation	Assigned to companies placed in liquidation by a court of law or by a forced liquidation.
	S	Suspended	Assigned to rated companies when sudden and significant events affect their balance sheet strength or operating performance and rating implications cannot be evaluated due to a lack of timely or adequate information.

### Rating Modifiers

Modifier	Descriptor	Definition
u	Under Review	Indicates the rating may change in the near term, typically within six months. Generally is event driven, with positive, negative or developing implications.
pd	Public Data	Indicates rating assigned to Insurer that chose not to participate in A.M. Best's Interactive rating process. (Discontinued in 2010)
s	Syndicate	Indicates rating assigned to a Lloyd's syndicate.

### Outlooks

Indicates potential direction of a Financial Strength Rating over an intermediate term, generally defined as 12 to 36 months.

Positive	Indicates possible rating upgrade due to favorable financial/market trends relative to the current rating level.
Negative	Indicates possible rating downgrade due to unfavorable financial/market trends relative to the current rating level.
Stable	Indicates low likelihood of a rating change due to stable financial/market trends.

### Not Rated Designation

NR: Assigned to companies that are not rated by A.M. Best.

### Rating Disclosure

A Best's Financial Strength Rating opinion addresses the relative ability of an Insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an Insurer's claims-payment policies or procedures; the ability of the Insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Best's Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an Insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information. For additional details, see A.M. Best's Terms of Use at [www.ambest.com](http://www.ambest.com).

Best's Financial Strength Ratings are distributed via press release and/or the A.M. Best Web site at [www.ambest.com](http://www.ambest.com) and are published in the Credit Rating Actions section of BestWeek®. Best's Financial Strength Ratings are proprietary and may not be reproduced without permission. Version Q21712  
Copyright © 2013 by A.M. Best Company, Inc.



## GUIDE TO BEST'S ISSUER CREDIT RATINGS

A Best's Issuer Credit Rating assigned to an insurance company is an independent opinion of an insurer's financial strength and ability to meet its ongoing senior financial obligations. It is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

	Rating	Descriptor	Definition
Investment Grade	aaa	Exceptional	Assigned to insurance companies that have, in our opinion, an exceptional ability to meet their ongoing senior financial obligations.
	aa	Superior	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing senior financial obligations.
	a	Excellent	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing senior financial obligations.
	bbb	Good	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing senior financial obligations.
Non-Investment Grade	bb	Fair	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing senior financial obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	b	Marginal	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing senior financial obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	ccc, cc	Weak	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing senior financial obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
	c	Poor	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing senior financial obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.
	rs	Regulatory Supervision/Liquidation	Assigned to insurers placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation that prevents conduct of normal, ongoing insurance operations, or in liquidation by a court of law or by a forced liquidation.

Ratings from "aa" to "ccc" may be enhanced with a "+" (plus) or "-" (minus) to indicate whether credit quality is near the top or bottom of a category.

### Rating Modifiers

Modifier	Descriptor	Definition
u	Under Review	Indicates the rating may change in the near term, typically within six months. Generally is event driven, with positive, negative or developing implications.
pd	Public Data	Indicates rating assigned to a company that chose not to participate in A.M. Best's interactive rating process. (Discontinued in 2010)

### Rating Outlooks

Indicates the potential direction of a Credit Rating over an intermediate term, generally defined as 12 to 36 months.

Positive	Indicates possible rating upgrade due to favorable financial/market trends relative to the current rating level.
Negative	Indicates possible rating downgrade due to unfavorable financial/market trends relative to the current rating level.
Stable	Indicates low likelihood of a rating change due to stable financial/market trends.

### Not Rated Designation

The Not Rated (NR) designation may be assigned to issuers that are not rated.

### Rating Disclosure

When assigned to an insurance company the Issuer Credit Rating opinion addresses the relative ability of an insurer to meet its ongoing senior financial obligations. The rating is not assigned to specific insurance policies or contracts, or any other financial obligations, and does not address any other risk, including, but not limited to, liquidity risk, market value risk, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. The insurer Issuer Credit Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract, or any other financial obligation for a specific purpose or purchaser.

Best's Issuer Credit Ratings are distributed via press release and/or the A.M. Best Web site at [www.ambest.com](http://www.ambest.com) and are published in the Credit Rating Actions section of BestWeek®. Best's Credit Ratings are proprietary and may not be reproduced without permission. Copyright © 2013 by A.M. Best Company, Inc.

Version 061212